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FISCAL IMPACT REPORT

ORIGINAL DATE 2/8/06

SPONSOR Heaton LAST UPDATED _____ HB 567

SHORT TITLE University Science Course Funding Formula SB _____

ANALYST Earp

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$582.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Senate Bill 499

Relates to Appropriation in the General Appropriation Act

Responses Received From
Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 567 appropriates \$582,000 from the general fund to the Higher Education Department to equalize the funding for lower division science courses at two-year institutions with the funding provided to the universities for this purpose.

FISCAL IMPLICATIONS

The appropriation of \$582,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund. HED reports that the appropriation will be distributed as follows: New Mexico State University -Dona Ana branch \$10,900; Albuquerque Technical Vocational Institute \$82,000; Luna Community College \$23,400; New Mexico Junior College \$3,300; and San Juan College \$462,200. (There is a \$200 rounding difference from the total in the bill.)

As of the date of this analysis, it is noted that the funding adjustment proposed in this legislation has been incorporated in the "Instruction & General" appropriations made to these institutions in the General Appropriation Act of 2006 (HAFCS/HB2 et al).

SIGNIFICANT ISSUES

This proposal was recommended by HED and incorporated in the Executive funding recommendation for fiscal year 2007.

ADMINISTRATIVE IMPLICATIONS

This proposal would have little administrative impact on HED. The funding formula calculations for future years would automatically incorporate this adjustment.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 567 and Senate Bill 499 are duplicate measures.

OTHER SUBSTANTIVE ISSUES

At its December 2005 meeting, the HED Higher Education Formula Enhancement Taskforce determined the \$582,000 dollar amount as the technical adjustment for funding the science clusters for two-year institutions at the same rate as the universities. This is the basis for the figures that are included in this bill.

DKE/mt